

Small Business Voices: OMS Effects and Business Contribution to Regional Resiliency

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Setting the Story

“I have been in business for [over 20] years. Things have been going badly. Metro Surge has had a significant effect due to fear. I can’t hire a front desk person. I really need one, but I can’t hire one.

One patient was grabbed. One of the workers from [the restaurant next door] was grabbed... People are anxious. Customers are sheltering in place. I can’t reassure people because [Metro Surge] is still going on... I carried my passport. I’m a U.S. citizen and I carried my passport. One of my patients was detained for a couple months.

My business is community based; we provide services in different languages. I feel targeted because of my background. My patients are targeted. I felt that hardworking people were detained for no reason... People were detained and weren’t even asked for their documents...

Unfortunately, people had to die for people to realize what was happening. Invest more in this area, clean it up, make it safe.”

Doctor, East Franklin

Today's Agenda

1. Rationale
2. Project overview & methodology
3. Preliminary research findings on Operation Metro Surge effects:
 - A. Social and emotional impact
 - B. Economic impact
 - C. Small businesses contributions to regional resiliency
 - D. Patterns in receiving financial relief
 - E. What businesses need now
4. Next steps in project

Rationale & Project Overview



Image source: Met Council

Rationale for Council Research

Imagine 2050: Dynamic and Resilient Goal

Analyze impacts of an event that threatens the resilience of the region.

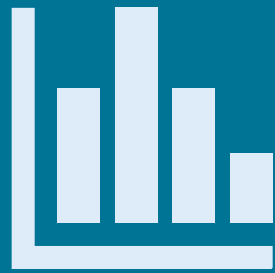
Collaborate with regional partners to identify regional strategies.

Understand trends affecting the workforce and examine how local governments can respond.

2025 Regional Economic Framework Commitment

Hold future convenings (as needed) that can help continue the conversation around the region's economy.

Three Project Elements



Data on the economic contributions of immigrants to the Twin Cities region



Small business voices, highlighting Metro Surge's long-term impacts on main street businesses across the region.



Convening of regional stakeholders

Small Business Voices Research Questions

1. What are the short and long-term **economic, psychological, and social effects of OMS on main street small businesses?**
2. What support do small businesses say they need at this time?
3. What role do “main street” small businesses play in fostering **dynamic and resilient communities?**



On-the-ground Study Highlights Small Business Voices Over Time

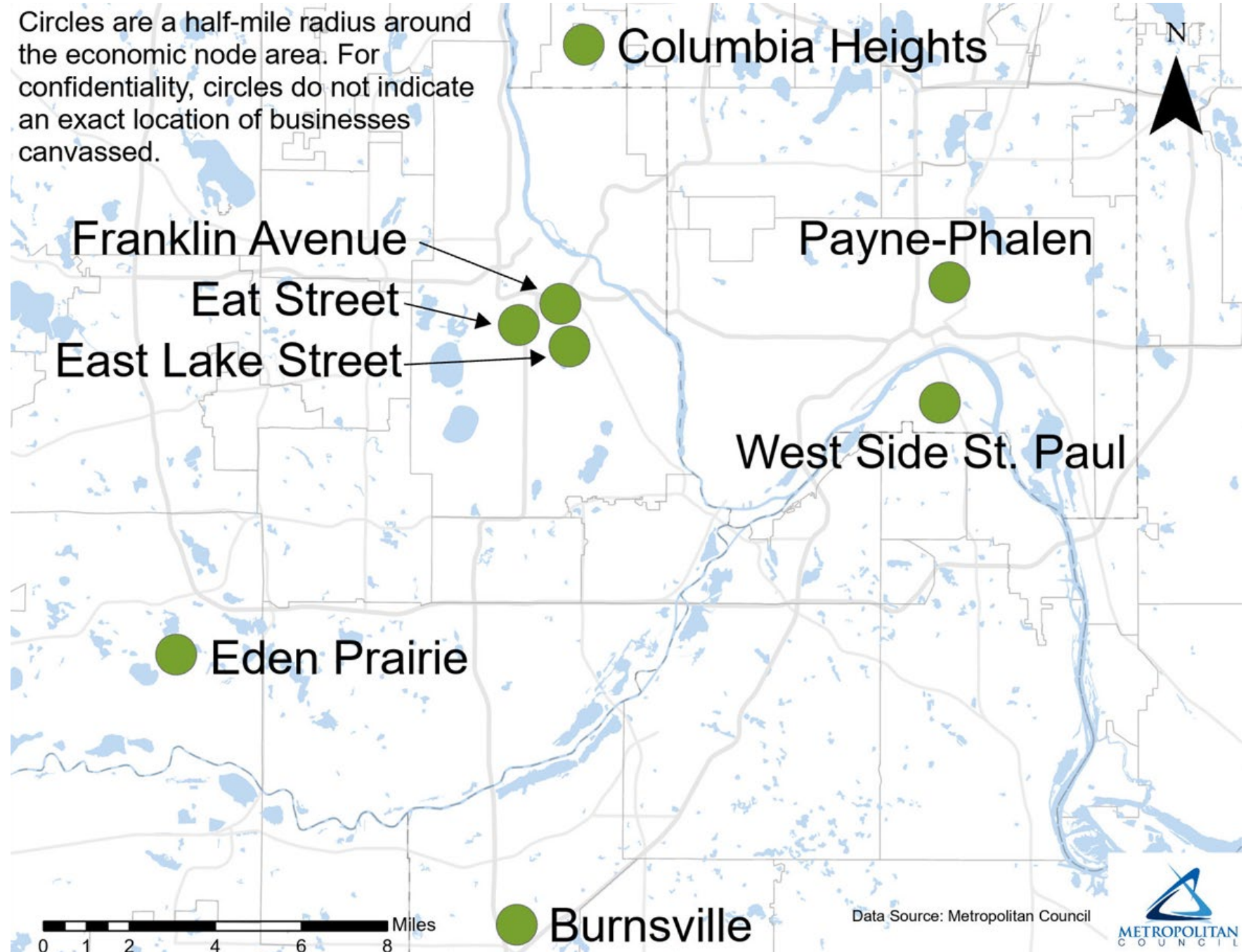
Methodology key points:

1. Study focuses on “main street” small businesses.
2. Semi-structured interviews and ethnographic observation (English, Mandarin, Somali, Spanish). Interviews lasted 5 - 45 minutes.
3. Questionnaire includes Fed Reserve questions to allow comparisons.
4. A focus on a breadth of effects, needs, and resiliency not captured in surveys or sales data.
5. Businesses eager to share experiences.
6. Additional interviews with local governments, ongoing.

Interviews Happen At Eight Economic Nodes

Process designed to:

- Be representative of locations and experiences across the region.
- Understand how economic, psychological, and sociological **factors interact on-the-ground.**
- Understand the role small businesses play in fostering **community connections.**
- Include longitudinal check-in with same geographic nodes, businesses for two years.



173 Unique Businesses Interviewed



Business Type	Number Of Businesses Interviewed
Care Services	16
Grocery	21
Personal Services	31
Professional Services	29
Restaurant	45
Retail	22
Tobacco/Liquor	4
Other	5

Our Study Adds To Existing Research

Geographies Studied	Topics	Data
Nation-wide pre-2025	Workforce and labor market impacts of federal immigration enforcement, 1990-2010	Quantitative analysis, applied economics, American Communities Survey
2025 surge cities - Chicago - Los Angeles	Human effects, economic costs to cities, preliminary workforce impacts, spending loss	ICE arrests, spending data, qualitative effects
Minneapolis and St. Paul	Estimated economic costs to cities, spending effects, disaggregated by sector	Sales tax, business surveys, employment data
Minnesota state	Estimated reduction in consumer spending, estimated employment and wage effects, sector analysis	Sales tax, business surveys, employment data, federal labor statistics, ICE arrests

Preliminary Research Findings



Image source: Sahan Journal

Economic impact of Operation Metro Surge

OMS enforcement triggered immediate, drastic loss of revenue. Businesses had to quickly adapt.

- Immediate revenue losses
- Workforce disruptions
- Owners took second jobs, borrowed money, and used savings
- Holiday sales were disrupted

"During ICE, I had to find another job [because revenue was down.]" "These clothes are from my other job. I had to get another job to pay bills."

Hair salon, Payne Ave. St. Paul

"It's been bad. Very bad. People are scared to come in. They are scared to walk on the street. We lost employees and customers during Metro Surge. Employees took time off because of fear. They were stopped by ICE agents. I had employee who lived across the street, and he was afraid to walk over here to work."

Grocery store, Columbia Heights

"Time alone won't fix this, because there's still fear. This has thrown off our plans to expand. [It's now April, and] some of our bills are still unpaid."

Restaurant, Eden Prairie

Economic Ripple Effects: Two Stories



Each impacted business creates a ripple effect of reduced spending.

“ICE entered my restaurant more than once. The first time, all of the customers immediately left the store. Since then, the customers have not come back, although some are coming to pick up food for Ramadan. This is something that has never been seen before. The last three months have been different from any time in my business. I have paid all bills out of my savings. I have lost so much of my savings. I can't pay the rent. I haven't cut back on the food I purchased, but I have had to throw away a lot of prepared food. I have reduced the hours that my employees have worked. No one has been able to work full-time.”

Restaurant, Burnsville

“Last month, we couldn't pay our rent in February. Our rent check was returned with insufficient funds from the bank. Our light and our Internet are unpaid. Our staff have been cut, and there are weeks we haven't been paid. We are cleaning the office ourselves.

We usually would be very busy two weekends a month after everyone gets paid, but it was empty this past weekend. We hope it's going to come back soon. We just want everything to start working again.”

Financial services, Minneapolis

Generating Comprehensive Understanding Of Cost-cutting

Cost-cutting includes

- Staff layoffs
- Shortened hours
- Staff nonpayment
- Delivery services
- Musical acts
- Meat, vegetables, flour, cake fillings
- Marketing supplies
- Digital marketing services
- Liquor
- Building upkeep
- Security services
- Tools
- Service parts
- Business expansion delays (equipment purchases, retail space rental, new jobs, etc.)

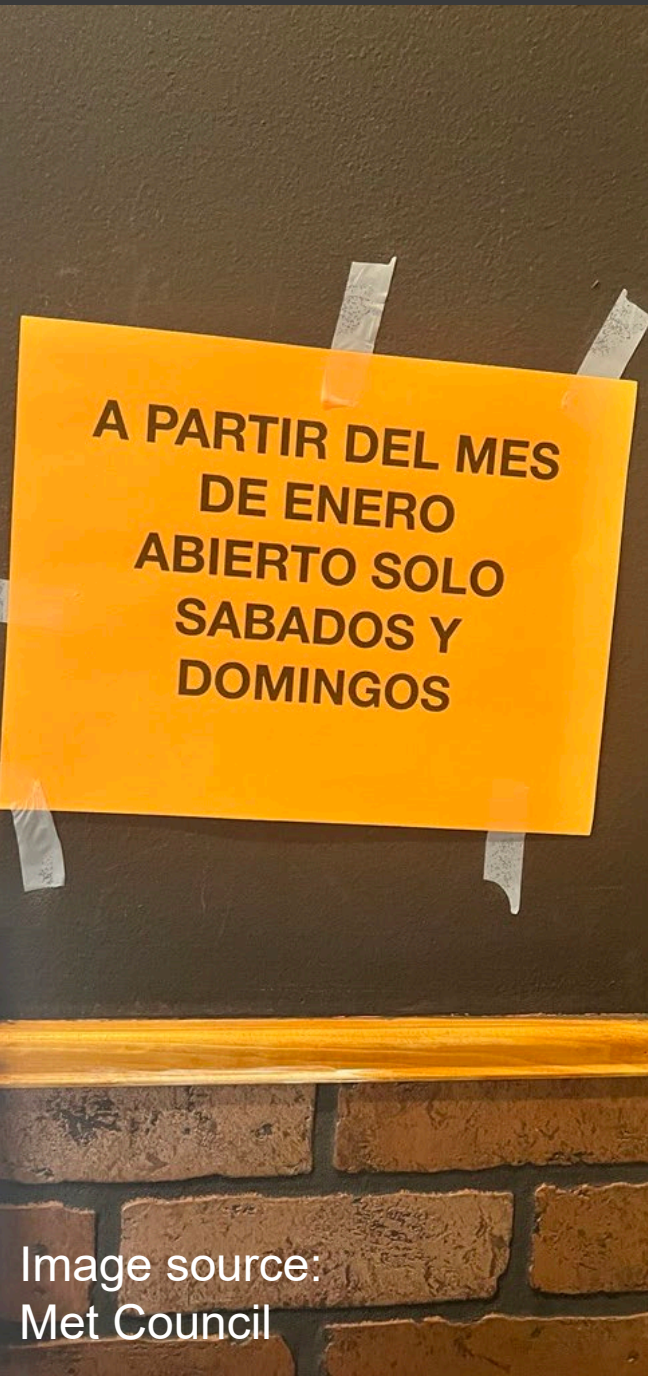


Image source:
Met Council

Emotional And Social Impact Of OMS

Fear and hypervigilance reshaped daily activities

Business owners and staff describe feeling:

- Feeling emotionally overwhelmed, sad, grief
- Worrying about long-term business sustainability.
- Carrying emotional responsibility for employees, customers, family and community members.

“They were very scared. Customers weren’t coming out, and they were afraid of ICE. They [ICE] were in the parking lot. For those three months, it was very bad. Even if people were citizens, they were afraid to come out; they didn’t want to risk their lives... Everybody was feeling down. It was surreal to witness.

As a Black woman in my 50s, I was only told stories about injustices that happened to Black folks. To watch it, to see it being done to others because they’re different nationalities, I never thought I would see that for myself. People were afraid of coming to work. Witnessing it was unbelievable.”

Salon, Lake Street Minneapolis

*“We know clients feel many things. When it was very tense, no one wanted to go out. They were depressed, fearful, and couldn’t work. Any money available, they pay rent. There’s no money to eat or anything. **You carry the stress [from hearing the stories].** Now [after peak OMS] people feel, “They took my family, or ‘a coworker died in detention.””*

Restaurant, West Side St. Paul

Small Businesses Were Essential To Regional Resiliency During OMS

"We had to work harder to stay open and protect our customers. ICE was here constantly. We were hiding people from outside in the back of the store. People were afraid, people with passports, people who were legal."

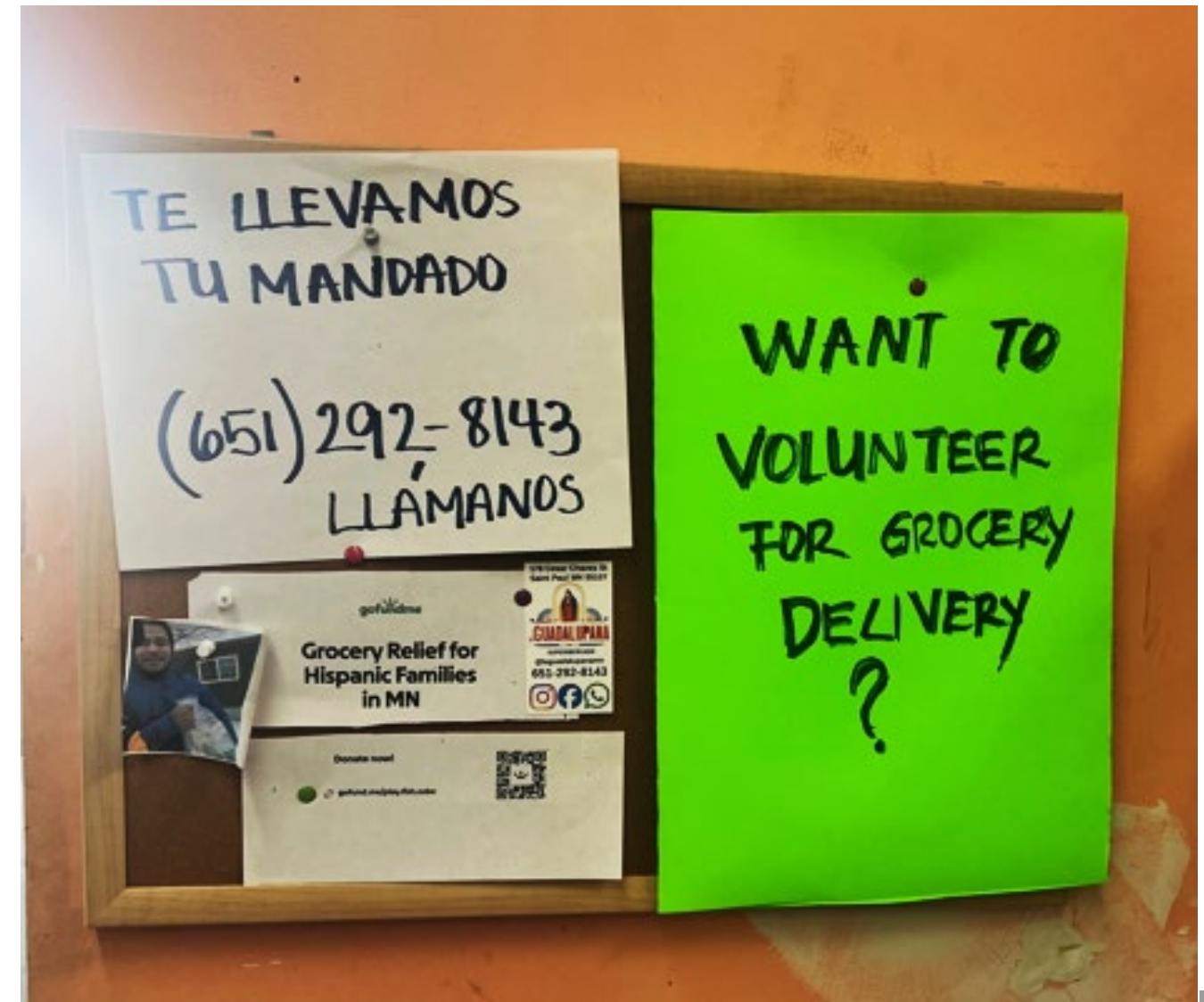
Liquor store, Columbia Heights

"People who have documents were even scared and stayed home. Some customers would say, 'look out the window for us, please'."

Grocery store, Lake Street

"I have brought and taken home my employees for the past three months. I'm still doing it [in March]. They don't feel safe."

Restaurant, Payne Ave



Small Businesses Filled Important Gaps In Community Support

Businesses did so much to support others during Operation Metro Surge:

- Informing clients of on the ground conditions to protect client safety.
- Organizing and providing deliveries for families who were afraid to leave their homes.
- Extending credit to customers.
- Buying gas and supplying food for patrollers.
- Providing shelter to residents during violence and severe cold.
- Distributing whistles and know-your-rights information.
- Coming together to discuss what was happening in their communities and offering emotional and financial support.

“Protect us! They came to take us and the government didn't do anything. I am so grateful to the gringos who loved us so much. They loved all of us and took care of us. During the time in January and February, we were in groups helping each other.”

Pharmacy, Lake Street

“Businesses stepped up to fill the gap in time of crisis. Cities need to know that people will trust the coffee shop staff more than government staff. Community organizations also partnered with businesses. Small businesses were representing Minnesota during Metro Surge, for example on BBC. [Our café's] truck goes to pow wows so that [community] members know and trust them.”

Café, East Franklin

Patterns In Receiving Financial Relief

What businesses say about financial relief

- If received, relief funds came by March. One business reported access to additional funds in June
- Minneapolis and St. Paul businesses more often heard of or received opportunities to apply
- Suburban location business had not heard of available funds
- Some businesses ineligible despite losses (alcohol, tobacco, some services, national chains)
- In no case did funds cover all losses, but some businesses felt they were getting back on their feet and didn't need more
- Many reasons why businesses heard about relief but decided not to apply: too complicated, too risky due to immigration status, not appropriate
- Mutual aid from neighbors substituted for lack of funds, but also not enough

Local government perspective

"Everyone was focused on Minneapolis. I get it, but that leaves out small communities that don't have resources. We're a small city, not a wealthy city. Our businesses need help. They were hit so hard."

Community Development Director, Richfield

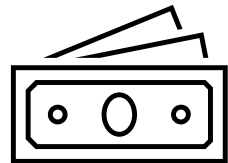
What Businesses Say They Need Is Similar Across Time

Top answers by time period to question, “What would help most right now”?:

Feb-March 2026



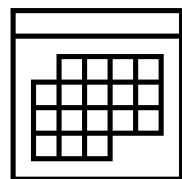
Help attracting customers



Financial assistance



Marketing

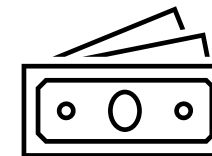


Time to recover

May-June 2026



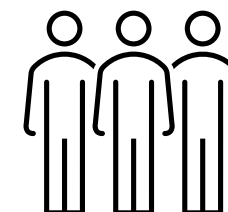
Help attracting customers



Financial assistance



Marketing



Help affording additional staff

Concerns remained months later

Metropolitan Council

Research Results Summary



OMS enforcement triggered immediate, drastic loss of revenue. Businesses had to quickly adapt.



Fear and hypervigilance reshaped daily activities.



Small businesses were essential to regional resiliency during OMS.



Together with residents, small businesses addressed essential gaps in community support.



Businesses report needing help attracting customers, financial assistance, marketing (digital), and help finding additional staff. These needs continue as of summer 2026

Next Steps & Discussion



Image source: Sahan Journal

Next Steps

1. Convene regional stakeholders (Date TBD)
2. Four additional short research briefs
3. Report to small businesses (September 2026)
4. Preliminary Small Business Voices report (Fall 2026)
5. Continued data collection check-ins with small businesses (Through February 2028)



Image source: Chad Davis Photography

Discussion Questions

1. What other audiences do you think we should connect with about these research results?
2. How do you see the audiences using these findings?
3. What do you see as the Council's role in supporting small business resiliency?



Image source: Star Tribune

What Do You Do if You See ICE in Your Community?

1. Use the **SALUTE** acronym below to gather and share key information, then take photos and video if possible
2. If someone is being detained, use the phrases on the back to help them know their rights and get family contact information
3. Call the ICIRR hotline and report what you see:
1-855-HELP-MY-FAMILY
(1-855-435-7693)
4. Text **SALUTE** information to community members and local community organizations like the **Protect RP ICE Watch Signal**

Size:

How many people? "5-6 people"

Activity:

What are they doing? "Sitting in a marked Homeland Security SUV"

Location:

"At the corner of X&Y, east side of the street"

Uniform:

"Wearing vests saying POLICE ICE on the back"

Time & date of observation:

"January 21st at 12:05 PM"

Equipment & weapons:

"They have body armor & pepper spray"

Image source: Met Council

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